SUCCESS STORY WEST VIRGINIA DISTRICT OFFICE

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Keeping High and Dry

MARTINSBURG - Jeff Smoot, owner of Sahara Dry Basement, LLC, located in Martinsburg, West Virginia, is smiling as he watches his latest television commercial. In the ad, he's sitting on the couch in the den with his wife, Stephanie. The couple is reading the paper when three of their children jubilantly rush by, wearing swimsuits, snorkels, face masks and fins. Stephanie looks up from the paper and remarks matter of factly, "honey, the basement is leaking again." The ad, written by Jeff, then unveils the many virtues of the company's unique basement water proofing system and ends with one of the children rapturously observing, "thanks to Sahara Dry Basement, we can save enough money to buy a real pool!"

That clever commercial vividly underscores Jeff's basic business philosophy which is "market, market, market." He estimates that 80% of the money he spends is on advertising. He is a self described "bulldog" on "branding."

"Every place I went, I handed out business cards," he enthusiastically reveals. "I was marketing before I even had my first truck." He concocted a bright, eye-catching logo; sent out thousands of flyers; purchased yellow page ads in all the surrounding states; participated in internet chat room discussions until the wee hours of the morning; hired students at \$5 an hour to distribute cards; maintained a high visibility at trade shows; placed books detailing the dangers of wet crawl spaces into doctor's office waiting rooms; and sponsored golf tournaments, soccer and wrestling teams.

"Anything you can put your name on is good," he relates with a grin. "I want everybody to know who we are—just like McDonald's, Burger King and Roto-Rooter."

The other secret to Jeff's success is his complete honesty, forthrightness and total dedication to his customers. Before one of Jeff's teams arrives on a job, the customer receives an introductory package explaining the procedure, setting forth the exact time the crew will arrive and giving a picture and short biographical sketch of each person in the crew.

In addition, in order to insure ultimate quality control, Jeff gives each customer his personal cell phone number and promises a one hour response time to any service call issue. "I will go out in the middle of the night myself

and vacuum out a basement if that's what it takes," Jeff states. His methodology certainly seems to work since he's had 100% success. "I've never had a basement fail," he proudly relates.

Sahara Dry Basement, LLC opened its doors in July, 2002 with three employees. Jeff worked sales and marketing and did the installations with the assistance of a friend. Stephanie handled all the administrative details. Due to an unseasonable drought, the company began floundering as its initial working capital diminished. Knowing he needed some business expertise, Jeff met with Nancy Ferner of the West Virginia Small Business Development Center located in Martinsburg.

"Nancy guided us through our options and recommended obtaining working capital to carry our business through a six month time period at which point the business would hopefully generate enough revenue on its own to become successful," Jeff recalls.

Nancy helped the Smoots with their business plan and through her efforts, the business obtained a \$50,000 7(a) loan through Huntington National Bank. Sahara Dry Basement indeed prospered and now, with the help of a second SBA line of credit loan, the company has eleven full time employees, a growing fleet of trucks and its own building.

The 7(a) Program is SBA's primary lending program. It provides loan guaranties for small businesses unable to secure financing on reasonable terms through normal lending channels. The program operates through private-sector lenders who provide loans which are, in turn, guaranteed by the SBA. A maximum loan amount of \$2 million has been established for 7(a) loans. However, the maximum dollar amount of the SBA guaranty is generally \$1.5 million.

The SBDC is one of SBA's valuable resource partners that provides counseling services and management assistance, free of charge in most instances, to current and prospective small business owners.

Sahara Dry Basement offers several waterproofing systems along with moisture barriers for floors, walls and crawl spaces. "The majority of our systems consist of installing a sub-floor drainage system that routes water to a sump pump outside," Jeff elaborates. "We also offer floor and wall moisture product installations for homeowners who want to convert their basement into a safe and comfortable living space. I can make a crawl space livable, if you're short enough to live in it!"

Jeff is full of innovative ideas and ultimately has plans to start additional businesses—one for each of his five children. His greatest joy comes from improving the quality of life not only for his customers, but for his employees as well.

"I genuinely care about my employees," he says with immense concern. "I know what it's like—I used to be one. The best part of this business is knowing I've created something that helps support families."

For more information on the SBA and the resources available to help small businesses, contact the West Virginia District Office at 800-767-8051 ext. 8, by email at www.sba.gov/wv.